



CITY OF HAYWARD

AGENDA REPORT

AGENDA DATE 05/01/01

AGENDA ITEM _____

WORK SESSION ITEM WS2

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: FY 2000-2001 Community Development Block Grant Funding Recommendations

RECOMMENDATION:

It is recommended that the City Council review and comment on the following report regarding Community Development Block Grant (CDBG) funding for FY 2001-2002.

BACKGROUND:

Approximately \$2,200,000 is available for funding eligible CDBG activities in Hayward during fiscal year (FY) 2000-2001.

HUD FY 2001-2002 Entitlement Grant	\$1,700,000
Program income	<u>500,000</u>
Available CDBG funds	\$2,200,000

CDBG program administration costs for FY 2001-2002 are estimated at approximately \$400,000 including funds for HUD-required environmental reviews and fair labor standards construction wage monitoring. The balance of funds available for CDBG program activities is \$1,800,000. The amount available for funding public services is \$331,000, because of the formula used to calculate the "cap" on the amount of CDBG funds that can be spent on public services. Congress placed this limit (the sum of 15% of the fiscal year entitlement grant and 15% of the previous year's program income), to ensure that the Block Grant continues to be used for community development improvements and housing.

DISCUSSION OF CAC AND STAFF RECOMMENDATIONS:

Twenty-three complete proposals for CDBG funds were submitted totaling \$2,480,467. During February 2001, staff conducted site visits with agencies that had not applied previously for CDBG funds and also conducted site visits of projects that had not received funding recently or funding for that type of project. The Chair of the CAC appointed an Application Review Committee (ARC) to review each proposal and make recommendations to the Commission.

After carefully reviewing each proposal, the ARC conducted interviews on Saturday, March 17, 2001 with each agency applying for funds, except the Human Outreach Agency who could not send a representative to the interview. Staff also evaluated each proposal, participated in the ARC interviews and made preliminary recommendations.

The ARC's recommendations were discussed by the entire Commission at its March 28th meeting and the CAC issued its preliminary recommendations.

An Appeals Hearing was then conducted on April 11, 2001. This provided an opportunity for applicants to respond to either the Commission's or the staff's preliminary recommendations. Four applicants sent representatives to the appeals hearing; one agency, that could not send a representative, submitted a written appeal that was read allowed at the hearing. The Commission and City staff considered all the appeals as final funding recommendations were developed.

Final Recommendations

As a result of the appeals, staff reviewed their recommendations and made changes to their preliminary recommendations. At their regular meeting on April 26, 2000, the CAC discussed the appeals and, as a result, made changes to their preliminary recommendations.

Differences Between CAC and Staff Recommendations			
Agency Name	Program Description	Staff	Staff
ECHO	Fair Housing, Tenant/ Landlord, RAP (Rental Assistance Program which provides move-in assistance to low income families, e.g. security deposit guarantees,	\$125,000	\$110,000
Family Violence Law Center (FVLC)	Represent survivors of domestic violence in court.	\$30,000	\$21,000
Human Outreach Agency (HOA)	Emergency shelter for single men. Funds pay for staff who provide evening and weekend supervision of clients	\$25,000	\$45,000
SAVE/WINGS – public services	Transitional housing for survivors of domestic violence and their children. Funds primarily pay for staff who provide evening and weekend supervision of clients.	\$50,000	\$55,000
Deaf Seniors' Retirement Home	Acquisition of land and construction of retirement home in Fremont for deaf seniors.	\$70,000	\$100,000
SAVE/WINGS – neighborhood improvements	Rehabilitation, installation of drainage system and seismic retrofit of transitional housing	\$200,000	\$170,000

Public Services

ECHO—Both the CAC and staff proposed a reduction in funds from the current amount of \$147,218, due to the fact that both wanted to add programs under public services. ECHO's FY 2000-2001 funding was approximately 44% of the public services budget, leaving 56% to be divided among the five remaining public service-funded programs. Therefore, it was recommended that funds be reallocated from ECHO to other programs. As a result of the proposed reduction in funds, ECHO proposed to reduce its budget by eliminating staffing for the RAP. ECHO chose to propose reducing RAP because its fair housing activities are a HUD requirement and the demand for landlord-tenant services is extremely high. Also, in the past, ECHO has been able to obtain RAP funds directly from HUD which are used in localities where the RAP is not funded by local government. The primary difference between the CAC and staff recommendations is that the CAC felt it was most important to keep full funding for the Human Outreach Agency and SAVE/WINGS and the staff felt that it was most important to ensure there was a RAP operating for Hayward residents. Both wanted ECHO to use any federal RAP funds they obtain to make the Hayward program whole.

Family Violence Law Center (FVLC)—Although attorneys have been available in northern Alameda County to represent survivors of domestic violence in court -- through CDBG funding from Berkeley, Oakland and Alameda -- these services have not been available in the central and southern parts of the county. FVLC is proposing to represent Hayward clients in court, as they do in Oakland and Berkeley. The CAC and staff agreed that court services are the most critical element in helping women decide not to return to their abusive relationships. The difference between CAC and staff recommendations is that the CAC allocated funds among currently funded and previously funded agencies and recommended that the remainder, \$21,000, be allocated to the FVLC. The staff recommended the minimum amount of funds, \$30,000 that FVLC said it needed to establish the court representation program.

HOA and SAVE/WINGS—As previously discussed the difference between CAC and staff recommendations is that the CAC wanted to fund these agencies at as close to their requests as possible. Staff recognizes the importance of these programs, but felt that these programs could raise funds to fill the gap left by a reduction in Hayward funds.

Other CDBG Recommendations

Satellite Homes/Deaf Seniors' Retirement Center—Both the CAC and staff thought that this was a very important project that would provide a valuable benefit to Hayward deaf and hard-of-hearing seniors. The difference between the CAC and staff recommendations is that the CAC wanted to make a more substantial commitment of funds than staff, early in the fundraising cycle for this project. Since Satellite Homes was unsure whether it would apply for tax credits or HUD's Section 202 funds, staff felt that a smaller allocation to demonstrate commitment would be sufficient at this time.

SAVE/WINGS—The difference between CAC and staff recommendations stems from the \$30,000 difference in funds recommended for the Deaf Seniors' Retirement Home.

Next Steps

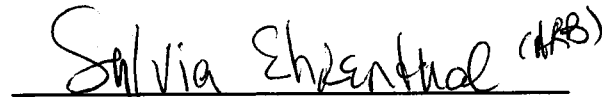
A public hearing on the Community Development Block Grant Program is scheduled for May 8 2001. Allocations adopted by Council will be included in the City's Annual Plan and forwarded to HUD by May 15, 2001.

Prepared by:



Ann R. Bauman
Neighborhood and Economic Development Manager

Recommended by:



Sylvia Ehrenthal, Director of Community
and Economic Development

Approved by:



Jesús Armas, City Manager

Attachments: Exhibit A – FY 2000-2001 Chart of Funding Recommendations
Exhibit B – FY 2000-2001 CAC and Staff Recommendations and Conditions

**FY 01-02
COMMUNITY DEVELOPMENT BLOCK GRANT
FINAL FUNDING RECOMMENDATIONS CHART**

Bolded Applicant Names = Not currently funded

APPLICANT NAME	PROJECT NAME	AMOUNT REQUESTED FY 01-02	AMOUNT PREVIOUSLY FUNDED	STAFF	CAC
Allied Housing, Inc.	Housing Alliance Project (permanent supportive housing for people with disabilities and their families)	\$300,000	\$100,000 (FY 00-01) Predevelopment Expenses	\$100,000	\$100,000
Satellite Senior Homes, Inc. and Deaf Senior Retirement Corporation	Fremont Oak Gardens (senior deaf housing with on-site support service)	\$100,000	N/A	\$70,000	\$100,000
Housing Rehabilitation Program	Housing Rehabilitation Loan Program	\$575,000	\$575,000 (FY 00-01)	\$537,000	\$537,000
Minor Home Repair Program	Minor Home Repair Grant Program	\$225,000	\$225,000 (FY 00-01)	\$225,000	\$225,000
Tool Lending Library	Tool Loan Program (tool loan program for low-income Harder-Tennyson residents)	\$62,000	N/A	0	0
Eden Youth & Family Center (EYC)	Roof Replacement (roof replacement for wing E)	\$35,000	\$15,000 (FY 00-01) Roof Repairs	\$35,000	\$35,000
Emergency Shelter Program (ESP)	A Special Place Child Care Center (upgrade outdoor play structures to comply with new regulations)	\$18,920	\$60,099 (FY 00-01) Child Care Center Rehabilitation	\$18,920	\$18,920
Family Emergency Shelter Coalition (FESCO)	FESCO Transitional Co-Housing (supportive transitional housing for families)	\$100,000	\$200,000 (FY 97-98) Rehabilitation of Four Transitional Housing	\$100,000	\$100,000
Hayward Unified School District	Helen Turner Children's Center (asbestos flooring replacement)	\$52,638	\$85,000 (FY 99-00) New Portable at Park Elementary	\$52,638	\$52,638

APPLICANT NAME	PROJECT NAME	AMOUNT REQUESTED FY 01-02	AMOUNT PREVIOUSLY FUNDED	STAFF	CAC
Planned Parenthood	Hayward Health Center Expansion Project (addition of two exam rooms and additional bathrooms)	\$200,000	N/A	\$70,000	\$70,000
Shelter Against Violent Environments (SAVE)	WINGS Transitional Housing (facility rehabilitation and seismic reinforcement)	\$200,000	\$69,000 (FY 98-99) WINGS Rehabilitation	\$200,000	\$150,000
Tri-Cities Children's Centers	Children's Center Playground Project (upgrade play structures to comply with new regulations and replace infant care flooring)	\$61,000	N/A	\$61,000	\$61,000
PUBLIC SERVICES					
Alameda County Community Food Bank	Food Distribution – Food Purchase Program (monthly food delivery program for Hayward shelters)	\$30,000	\$25,000 (FY 00-01) Food Distribution	\$20,000	\$20,000
Community Resources for Independent Living (CRIL)	Housing Counseling for People with Disabilities	\$40,000	\$40,000 (FY 00-01) Housing Counseling	\$40,000	\$40,000
Eden Council for Hope and Opportunity (ECHO)	Fair Housing Counseling, Tenant/ Landlord Counseling, and Rental Assistance Program	\$148,060	\$147,218 (FY 00-01) Fair Housing, Landlord/ Tenant Counseling, and Rental Assistance Program	\$125,000	\$110,000
Eden Information and Referral (Eden I & R)	Roving Housing Resource Program (mobile housing specialist provides housing placement services for homeless clients in Hayward shelters).	\$47,284	\$25,000 (FY 99-00) Roving Housing Resource Program	\$25,000	\$25,000
Family Violence Law Center	Domestic Violence Advocacy (in-court attorney representation for Hayward plaintiffs in domestic violence cases)	\$50,000	N/A	\$30,000	\$21,000
Hayward Community Gardens (HCG)	Community Gardens	\$14,565	\$14,539 (FY 00-01) Community Gardens	\$15,000	\$15,000
Human Outreach Agency (HOA)	Direct Client Services	\$47,000	\$45,000 (FY 00-01) Direct Client Services	\$25,000	\$45,000

APPLICANT NAME	PROJECT NAME	AMOUNT REQUESTED FY 01-02	AMOUNT PREVIOUSLY FUNDED	STAFF	CAC
Law Center for Families	Hayward Satellite Office (housing, consumer, and family legal services)	\$40,000	N/A	0	0
Shelter Against Violent Environments (SAVE)	WINGS Transitional Housing (supportive transitional housing for survivors of domestic violence and their families)	\$60,000	\$60,000 (FY 00-01) WINGS Direct Client Services	\$50,000	\$55,000
Housing Authority of Alameda County	Family Self-Sufficiency Program (case management and savings program for section 8 participants)	\$28,000	N/A	0	0
Housing Authority of Alameda County	HOPE for Elderly Independence (support services for frail elderly people to permit them to live independently as long as possible)	\$46,000	\$46,000 (FY 00-01) City Social Services Funds	0	0

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